

Called meeting of the City Council
Austin, Texas, Feb 20th 1907
Hon W O Shelley Mayor, presiding -

Roll called -
Present Aldermen Armstrong, Crocker, Aune, Hayes,
Hatz, Macken, Miller, Peter Powell, Redd, Von Rosenberg,
Wilhelm 12

Absent Aldermen Moore & Scott 2

The following Call of the Council was read
Austin Tex Feb 20th 1907

A special meeting of the City Council is hereby
called to meet in the temporary Council Chamber
at the Smith Office building, on this the 20th day of Feb
1907, at 8 P.M. for the purpose of hearing and considering
the report of the ordinance Committee on the proposition
from the Consolidated Construction Company of New
York to the record of the Austin dam and for the
purpose of fixing a date for the submission of the
proposition to a vote of the people.

W O Shelley Mayor
A E Cunge and Edward
C J Wilhelm
P A Scott

Austin, Texas, Feb 20th 1907
I hereby certify that I have served the above
call by having same read by Officers Stroutford and
Rutledge to each of the following named Aldermen
present: W O Shelley, H E Cadd, A E Aune, P H Powell,
L M Crocker, E Von Rosenberg, Joe Macken, C J Armstrong,
C J Wilhelm, Henry Peter, H E Hayes, P A Scott, W O
Hatz and by having a copy of same left at the residence
of Cro Moore who is out of the city.

J H Mallory
Supt Police

Alderman Hayes moved that the Chairman of the
Committee be permitted to read the report, which motion
prevailed -

Chairman Aune submitted the following amended
proposition from the Consolidated Construction Company
of New York

Austin, Texas, Feb 23, 1907

John A E Cunge, Chairman,
Ordinance Committee of the City Council
of the City of Austin, Texas

In accordance with your resolution and the
statements made to you in response thereto, we beg to
submit the following as an amendment to our proposition

To the Mayor and City Council of the City of Austin, dated January 10, 1907, for rebuilding the dam across the Colorado river, at or near the location of the dam that was partially destroyed in the year 1900, and submit in lieu of that of prohibition the following:

We will construct a dam at the site and of the height of the old one, together with fore-bay and head-gates, unless after careful investigation by our Engineers we are advised that it is not practicable to permanently maintain a dam at that location. If we construct said dam at the old site, we will repair the powerhouse and put it in good condition of the size and dimensions as before its partial destruction.

If it is found impracticable to locate the dam at the site aforesaid, we will then erect a dam at some other location to be mutually agreed upon between the City and ourselves, such dam to be of such height as to develop water power under a head of 50 feet when the dam is full to its crest. In this event, we will construct a suitable powerhouse at the location so chosen.

Immediately upon the completion of the dam and powerhouse, we will turn over to the City, for its operation, all of the above mentioned buildings, including dam, head-gates, powerhouse, etc., together with the exclusive right to sell or use the entire water power developed by said dam, and the exclusive use of the lake formed by the construction of said dam for any and all purposes.

We will maintain the dam, fore-bay and head-gates so constructed by us for a period of forty (40) years from the date of their completion. At the end of 40 years from the completion of the dam and appurtenances, we will turn over and surrender the same to the City of Austin as its absolute property.

We will agree that if at any time during the life of the contract to be made that if at any time there should not be sufficient power developed from the flow of the river or storage capacity of the lake to run a plant for water and light purposes of the City, during such period of time there is such deficiency we will rebate so much of the semi-annual payments as herein after provided for in the proportion that such semi-annual payments may bear to the time that said supply of water ceases to be furnished. We do not agree that more than one thousand horse power shall be generated every four (4) hours by said plant. In other words, we are willing to agree that sufficient power shall be generated by the water obtained from the construction of said dam to operate a water and light plant for the City, provided that not more

Amended Prohibition
Consolidated Construction Co

than one thousand horse power is needed in any twenty four (24) hours for such operation, and if the flow of the River and the storage capacity of the Lake fails to furnish that much, if it be required in any twenty four (24) hours, then we will rebate the price to the extent above mentioned.

We further agree to begin the actual work of rebuilding the dam within 90 days after the Contract is signed for that purpose, and to have finished and ready to turn over to the City, within two years from the date of the signing of the Contract the dam and powerhouse. The foregoing is made upon the following conditions:

1st The City, to furnish us with all the plans, specifications, maps, drawings and Engineering reports now on which may hereafter be in its possession relating to the construction and operation of the old dam and plant.

2nd That it will turn over to us without expense all material in the old dam.

3rd That it will furnish to us free of rent during the period of construction the right to occupy such City property as may be necessary for the work of construction.

4th That in the event of the location of the dam at some new point, the City furnish the land necessary for its construction and equipment, together with adequate overflow rights.

5th That the City at its expense maintain the buildings which we turn over to it aside from the fore-bay and water-gates or head gates.

6th That the City pay us for the use of the water power developed by the use of such dam the sum of \$75,000.00 per year for a period of 40 years from the time of its completion and acceptance by the City, payable in semi-annual installments of \$37,500.00.

The foregoing is, of course, a brief outline of the proposition.

If the Commission chooses to do so, details will necessarily be worked out in the form of Contract to be executed between us.

Respectfully Submitted
Consolidated Construction Company
Jay Strickland
Manager

Alderman Heath entered the Council Chamber
Alderman Ames for the ordinance Committee presented
the following report

Austin Texas, Feby 23, 1907

To the Hon Mayor and City Council
of the City of Austin, Texas

Gentlemen:
Re, your ordinance Committee's report was

Report Ordinance Committee
Rem. Preparation

received a proposition by the Consolidated Construction Company of New York for the building of a dam across the Coxsack River near Austin, he leave to report that in a discussion of the matter with the manager of that company, some very material changes were agreed to, all of which, as we believe, were largely in favor of the City, resulting in an amended proposition being made and filed with us which is transmitted with this report.

We recommend to your Honorable Body that the question of the acceptance or rejection of this proposition, as amended, be submitted to a vote of the qualified voters of the city at the election to be held at the various voting boxes of the City on the 18th day of March, 1907.

In support of this recommendation we make the following suggestion:

1st That under the proposed plan, the people of Austin will continue to operate the water and light plants, as the same is now being operated, and the Water and Light Commission will continue to fix the rates for water, light & power.

2nd That the Construction Company, nor no other person, firm or corporation will have any control over the dam or its surroundings, but the same will be under the exclusive supervision of the City and its people for and during the term of the contract, at the termination of which the dam and power house and other improvements made by said Company will become the absolute property of the people of Austin without further costs.

3rd That said Company agrees to build itself to erect a dam of sufficient height to develop water power under a head of 50 feet when the dam is full to its crest, and to maintain said dam during the term of the said contract, it also agreeing to erect a suitable power house at or near said dam.

4th That said Company will agree to furnish water power for operation of the City's plant for and during the term of said contract, and, if by reason of its inability to do, it will agree that the City may deduct from the annual or semi-annual amounts due it by the City for the time of such failure to produce power.

5th That the City, by entering into this contract will be able to pay the amount due annually for water power out of the earnings derived from the operations of said plant, and, we believe, will have a large surplus left after paying operating expenses with which to make payments on the City's bonded indebtedness, and at the same time make a minimal reduction in the water and light rates to the consumers.

6th That the City by entering into this Contract will not increase its rate of taxation, but will lower the same by being able to take from the receipts of the water and light plant, after paying all expenses, a considerable sum annually which may and will be applied to the bonded indebtedness, as it is not contemplated that anything, except the revenues from the operation of the plant shall be pledged to the making of these semi-annual payments.

7th The reports of the Water and Light Commission made as required by the Charter of the City, show the following facts:

That during the last two years that the dam was standing, this is, from April 1, 1898 to April 1, 1900, the operating expenses of the water, light and Power plant amounted to \$75,356.44, on an average of \$37,678.22 per year for operating expenses. That for the years 1903, 1904 and 1905, the operating expenses were \$299,859.86, on an average annual operating expense of \$99,976.63. We are not able to give the exact figures for 1906, for the reason that the Water and Light Commission has not yet made up or filed its annual report for that period, as we only have the quarterly reports for the quarters ending March 31st, June 30th and September 30th, 1906, respectively, and from those reports it appears that the operating expenses for the nine months covered by them is \$74,468.91, showing an average on approximately \$100,000.00 per year for operating expenses is maintained.

There is then a difference in operating expenses alone between the present steam plant and the water plant of \$62,283.41 per year, and this, too, in the face of the fact that the water plant at the time of the washing away of the dam was generating about twice as much power as is now being generated by the steam plant.

The records of the Water and Light Commission show that for the years 1904, 1905 and 1906, the City paid for fuel alone \$131,860.71, on an average per year of \$43,953.57, which was an average of more than \$6,000.00 per year in excess of the average operating expenses of the plant when the dam was standing. It is also a well understood fact that the fuel bill will largely increase, as a contract has been signed within the last few days calling for more than 20 per cent increase in the price of fuel to be furnished the City, and we have no guarantee if the plant is to be operated by steam in which our fuel bill will at the next year 1907 increase 20% or more, and if we have any guarantee we do have that guarantee.

8th The records of the Water and Light Commission show

that for the last year the dam was standing, the total operating expenses and costs of the extension of the system was \$44,640.⁰⁰ The income from the plant for the year 1905, during the most of which time the rate of one dollar minimum and twenty cents per thousand gallons for water was in force, aggregated \$158,767.75, and, based upon the present number of water and light takers, we can safely say that a reduction can be made to the dollar minimum and twenty cents per thousand gallons for water and still have a gross income of \$150,000.⁰⁰ without calculating any increase in the number of water and light takers.

After taking the \$75,000.⁰⁰ which would have to be paid to the Construction Company, it would leave \$75,000.⁰⁰ upon that basis to pay operating expenses and extensions, which we have seen amounted to \$42,000.⁰⁰ for the last year that the dam was standing, but making an additional allowance of \$10,000.⁰⁰ for operating expenses and extensions, even under that rate, we would have a net surplus of \$21,000.⁰⁰ per year to apply to our bonded indebtedness, which does not take into consideration the increase of one single water or light taker, nor the sale of one dollar worth of additional horse power. These are the actual figures as made under the two systems and are not matters of guess work, but are the exact facts. But we know that there will be a material increase annually of water and light takers; even under the high rates that are now prevailing there has been an increase in each of over twenty five per cent, during the period of time elapsing since the breaking of the dam. At the time of the breaking of the dam there were 2761 water takers. On October 1, 1906, the date of the last report of the Water and Light Commission, there were 3709 water takers.

At the time the dam washed away, there were 1205 incandescent light consumers and 54 arc light consumers, not counting those used by the City. On October 1, 1906, there were 1642 incandescent light takers and 120 arc lamps in use by private consumers. In other words, there were 1762 incandescent and arc light consumers of the City's plant on October 1, 1906, as against 1259 at the time the dam washed away.

In giving the above facts and figures, we are not taking into consideration, nor have we taken into consideration, incidental benefits that would naturally result from having the dam constructed and the lake formed in furnishing a place for innocent and healthful recreation for the citizens of Austin, nor have we taken into consideration the revenue that could be derived from the selling of surplus power as was derived principally from

selling to the Street Car Company when the dam was standing

The report of the Board of Public Works that had the supervision of the construction of the former dam made to the Mayor and City Council of the City of Denver after the completion of the dam shows that the cost of the construction of the dam, head-gates and power house, including Engineering expenses that the Consolidated Construction Company proposes to duplicate, cost the City \$945,028.76, and when this fact is taken into consideration, it is apparently a good proposition for the City and cheaper in the long run than if the City built it itself, to say nothing of the fact that this Company not only guarantees the permanency of the structure itself, but guarantees, in effect, the flow of the river also

A. B. Guyea
C. F. Wilhelm
C. M. Moore
W. H. Kant

Alderman Petri moved the adoption of the report
Alderman Macken raised the point of order, that when this proposition was referred to the Ordinance Committee by the Council, that it was instructed to make its report at the next regular meeting of the Council, and hence they could not report at this time and at a called meeting. The Mayor decided that the point of order was not well taken, from which ruling Alderman Macken appealed to the Council. The decision of the Chair was sustained by the following vote

Yeas Aldermen Armstrong Crocker Cuneo Haynes Katz
Petri Powell Scott & Wilhelm 9

Nays Aldermen Macken Miller Redd Von Rosenberg 4

The report of the Committee was adopted by the following vote

Yeas Aldermen Armstrong Crocker Cuneo Haynes Katz Petri
Powell Scott Von Rosenberg & Wilhelm 10

Nays Aldermen Macken Miller & Redd 3

Alderman Cuneo offered a resolution ordering an election to be held on March the 18th 1907, for the purpose of ascertaining the will of the qualified voters of the City upon the proposition of the Consolidated Construction to rebuild the dam. The resolution was read

Alderman Von Rosenberg moved to amend the resolution by striking out March 18th + inserting April 1st

The amendment was lost on the following vote

Yeas Aldermen Miller Redd Von Rosenberg 3

Nays Aldermen Armstrong Crocker Cuneo Haynes Katz Macken

Petri Powell Scott & Wilhelm 10

Alderman Macken moved to amend the resolution by striking

Committee report
completed

out the words "qualified Voters" and inserting in lieu thereof
the words "Water and Light Voters" Alderman Hayes moved to
lay the amendment on the table, which motion prevailed by the
following vote

Yeas Aldermen Armstrong, Brooks, Cuneo, Hayes, Katz,
Petri & Wilhelm

Nays Aldermen Macken, Miller, Powell, Redd, Von Rosenberg &

Alderman Hayes moved that two Judges & 2 Clerks be selected
at each polling place, which motion prevailed.

The blanks in the resolution for places of holding said
election & the Judges & Clerks were then filled and the
resolution adopted by the following vote

Yeas Aldermen Armstrong, Brooks, Cuneo, Hayes, Katz,
Miller, Petri, Powell, Redd, Von Rosenberg, Wilhelm 12

Nays Alderman Macken 1

in Motion the Council adjourned

Geo. Johnson
City Clerk

to be filled in